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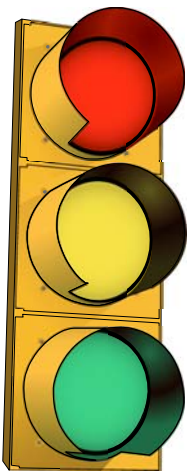
## *Additional Guidelines for Implementing the National Council for Prescription Drug Program (NCPDP) Standards under HIPAA*

**Note:** This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

### Providers Affected

Durable Medical Equipment (DME) Suppliers.

### Provider Action Needed



#### **STOP – Impact to You**

According to the HIPAA implementation guide (IG), Medicare systems must be able to receive the NCPDP HIPAA claim transaction with segments in any order.

#### **CAUTION – What You Need to Know**

According to the NCPDP standards, "The receiver cannot force an order of the segments." DME regional carriers (DMERCs) systems then must allow segments to be transmitted in any order as long as the group separator precedes any of the segments.

#### **GO – What You Need to Do**

Effective July 1, 2004, the Medicare DMERCs will change their systems to allow segments to be transmitted in any order. In addition, the Medicare systems will be changed effective July 1, 2004, to allow the "MOD" value on certain segments. Be aware of these changes as HIPAA compliancy moves forward.

### Background

Effective July 1, 2004, Medicare claims systems, used by DMERCs will allow segments to be submitted in any order including the AM07, AM03, and AM11, in accordance with the NCPDP standard. In addition, the DMERCs must allow the value of "MOD" to be entered in positions 001-003 of the narrative portion of the prior authorization segment indicating the supporting documentation that follows is Medicare modifier information.

#### **Disclaimer**

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### Additional Information

Should you have any questions regarding these changes or encounter any problems with claims that follow the NCPDP rules as described above after July 1, 2004, please contact your DMERC at their toll-free number.

If you do not know that number, you may find it at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS web site.

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